STATE OF MAINE
PUBLIC UTILITIES COMMISSION

Docket No. 98-661

August 31, 1998

PUBLIC UTILITIES COMMISSION
Notice of Inquiry Regarding Local
Calling Arrangements to CLEC
NXX Codes

NOTICE OF INQUIRY

WELCH, Chairman; NUGENT, Commissioner

In this notice, we initiate an inquiry into the rating and routing of telephone calls made by customers of Incumbent Local Exchange Carriers (ILECs) to customers of Competitive Local Exchange Carriers (CLECs).

We have recently become aware of a potential problem that occurs with calls to NXXs¹ that have been assigned to a CLEC for an exchange that is within the Basic Service Calling Area (BSCA) (the "local" calling area) of the caller. We became aware of this problem when numerous customers of Independent Telephone Companies (ITCs) informed our Consumer Assistance Division that ITCs impose toll charges on calls described above. It appears that Bell Atlantic does not impose toll charges, but the calls within their exchanges are routed similarly. Our information indicates that in most cases, CLEC customers to whom the calls are placed are not physically located in the exchange to which the NXX is assigned, i.e., the calls terminate outside the exchanges that are within the BSCA of the calling customer.

To gain a better understanding of this situation, we are opening this inquiry and scheduling a technical conference for Tuesday, September 1, 1998 at 3:00 p.m. at the Commission's offices. All ILECs and CLECs are invited.

At the initial technical conference we intend to discuss at least the following questions related to this matter, as well as any others that are necessary to gain an understanding of this situation. Those attending the conference should bring technical experts capable of answering these questions. There is no requirement to answer these questions in writing in advance of the conference.

1. What is an ITC's basis for charging toll charges for traffic terminating at NXXs assigned to exchanges within the ITC exchange's BSCA?

<sup>1</sup>An NXX is an exchange identifier; the first 3 digits of a 7-digit telephone number.

- 2. Does Bell Atlantic impose toll charges on such traffic as is described in Question #1? Please explain your answer.
- 3. Describe the physical routing of the traffic discussed herein, including calls which originate within the exchange of the ILEC to which the new CLEC NXX has been assigned.
- 4. How do CLECs and Bell Atlantic treat this traffic under their interconnection agreement? Under what section is it covered?
- 5. Is the traffic that terminates outside the BSCA area of an ILEC considered to be "interexchange" as defined under Chapter 280. What is the basis for your conclusion?
- 6. Do CLECs and ITCs have any agreements covering the interchange of this traffic?
- 7. In some exchanges CLECs do not provide local service to any end users that are physically located in the exchange and/or the CLEC routes the traffic directed to the CLEC's NXX for that exchange to a switch and an end user located outside the exchange. In those instances, should a CLEC be permitted to obtain and/or use an NXX assigned for rating and/or routing purposes described above? Are there any published rules covering such usage? What are the implications regarding NXX exhaust of allowing an NXX to be used in this manner?
- 8. Does the BSCA rule require both ILECs and CLECs to provide service on a toll-free basis to all exchanges included within any given exchange's respective BSCA calling areas?
- 9. Are the agreements that are necessary between connecting carriers for the purpose of providing BSCA service considered to be "interconnection" agreements under the TelAct or do they constitute other agreements for the exchange of traffic solely under this Commission's regulatory authority?
- 10. Should a CLEC having an NXX assigned to an exchange be required to have a physical presence or virtual physical presence in that exchange<sup>2</sup> in order to use that NXX for its customers?
- 11. Should a CLEC be required to either provide its own transport from its remote NXX to its first physical (or virtual) presence or pay charges for that transport?

<sup>&</sup>lt;sup>2</sup> A virtual physical presence is the connection of a loop (or a loop termination) that is physically located in that exchange to an end user located outside the exchange by a private line, leased channel, or customer provided dedicated interoffice facility.

Because of the possibility that some customers might be improperly charged toll rates for calls that they had reason to believe were included in their Basic Service Calling Area, we believe the matter should be dealt with as expeditiously as is reasonably possible. Therefore, we are scheduling the initial technical conference on very short notice, but we understand that representatives from the ITCs, Bell Atlantic and the CLECs have indicated their willingness and ability to participate in it. We appreciate their accommodation and cooperation.

Based on the information provided at the initial technical conference, we will determine what further proceedings are necessary in this matter. Those proceedings may involve gathering additional information from other interested parties, such as Internet Service Providers or customers, or input on policy recommendations and implications. Whatever further process is necessary, we reiterate our commitment to resolve the matter as quickly as possible.

Accordingly, we

ORDER

1. All incumbent local exchange carriers, competitive local exchange carriers certified in Maine, and other public utilities which have been assigned central office codes in this 207 area code.

Dated at Augusta, Maine this 31st day of August, 1998.

BY ORDER OF THE COMMISSION

Dennis L. Keschl Administrative Director

COMMISSIONERS VOTING FOR: Welch

Nugent